



**STATE BOARD OF EDUCATION
TRUSTEES OF BOISE STATE UNIVERSITY
TRUSTEES OF IDAHO STATE UNIVERSITY
TRUSTEES OF LEWIS-CLARK STATE COLLEGE
BOARD OF REGENTS OF THE UNIVERSITY OF IDAHO
STATE BOARD FOR PROFESSIONAL-TECHNICAL EDUCATION
TRUSTEES FOR THE IDAHO SCHOOL FOR THE DEAF AND THE BLIND**

**APPROVED MINUTES
STATE BOARD OF EDUCATION
SPECIAL TELECONFERENCE MEETING
650 West State Street
Basement Conference Room
Boise, Idaho
January 8, 2007**

A special meeting of the State Board of Education was held January 8, 2007 in the basement conference room of the Len B. Jordan Building, at 650 West State Street, Boise, Idaho. The meeting was conducted by conference call. Board Vice President Milford Terrell presided.

Milford Terrell, Vice President
Blake Hall (by phone)
Karen McGee
Tom Luna, State Superintendent

Paul Agidius, Secretary (by phone)
Rod Lewis (by phone)
Sue Thilo (by phone)

Absent: Laird Stone

The meeting began at 9:05 a.m. MT with a roll call of Board members.

OPEN SESSION

Board Vice President Terrell introduced the agenda and outlined the meeting timeline. He welcomed State Superintendent Tom Luna to the Board.

M/S (McGee/Luna): To accept the Board agenda as posted. *A roll call vote was taken; motion carried unanimously.*

BUSINESS AFFAIRS & HUMAN RESOURCES – Finance Section

1. Boise State University – Press Box/Sky Suites

M/S (McGee/Hall): To approve Boise State University's request to proceed with construction of the Press Box/Stadium Sky Suite facility at Bronco Stadium and to authorize the Division of Public Works to award a design-build contract to FFKR Architects and Layton Construction for a total project budget not to exceed \$35.9 million. The University may proceed with construction activities but will limit expenditures to currently available project cash until the issuing of debt in February 2007. A roll call vote was taken; motion carried 6-0 (Terrell recused himself from the vote).

Board Vice President Terrell introduced President Bob Kustra of Boise State University and congratulated him and the BSU football team for their winning performance at the Fiesta Bowl game in Glendale, Arizona. Dr. Kustra thanked the Board and went on to present this item.

Dr. Kustra introduced Stacy Pearson and Gene Bleymaier to discuss the details of the Press Box/Stadium Sky Suite facility project. He noted this is a \$39.5 million project. Gene Bleymaier discussed the sale of the suites, club seats and loge seating noting that most have been sold. He indicated that BSU had been planning this stadium expansion project for several years and will continue to plan for future development based on demand and need.

Stacy Pearson outlined the overall steps that had been taken to date on this project and described the new facility. Stacy Pearson referred the Board members to the agenda materials and went over the details related to the financing and costs associated with the project. The funding request will be on the February Board agenda.

Mr. Luna asked what the cost savings would be if the debt was retired earlier. Board Vice President Terrell asked BSU to have that information available for the February Board meeting.

2. Boise State University – Bonding for Press Box/Sky Suites, Student Health Center, Student Union Expansion

Stacy Pearson introduced this item. The Board agreed to hear BSU's presentation with the understanding that a motion and vote would have to wait until the exact figures were available to them later in the morning. Ms. Pearson referred the Board members to the agenda materials and discussed the relevant details for their understanding and consideration.

3. University of Idaho – Research Dairy

M/S (Agidius/Thilo): To approve the request by the University of Idaho to seek a one-time appropriation of General Funds for the Agriculture Extension Service for FY 2008 in the amount of \$10 million from the Idaho Legislature, and to seek modification of the federal Morrill Act for the purpose of allowing the State of Idaho to apply real estate assets in the Agriculture College Endowment for

acquisition of real estate, buildings and fixtures for experimental farms and provide these assets to the University of Idaho for use as the endowment beneficiary. This approval is for seeking the appropriation and federal law changes only. The University shall return to the Board after completion of these steps for further authority to proceed with planning and construction. A roll call vote was taken; motion carried 5-1-0 (Terrell voted Nay and Luna abstained).

President Tim White of the University of Idaho presented this item to the Board. He provided background details and noted that the UI is seeking a one-time appropriation and also modification of the federal Morrill Act for the purpose of allowing the State of Idaho to apply real estate assets in the Agriculture College Endowment for acquisition of real estate, buildings, and fixtures for experimental farms and provide these assets to the UI for use as the endowment beneficiary.

Dr. White introduced Kent Nelson and Dean John Hammel of the UI who were participating by phone to provide additional detail and answer questions. Dean Hammel summarized the programmatic aspects of this proposal. Board member Thilo asked about changing the Morrill Act and Kent Nelson indicated a modification will bring it into the 21st century.

Board Vice President Terrell expressed concerns with the UI's appropriation assumptions and asked the UI to keep that in mind for future requests. Mr. Luna abstained from the vote due to a possible conflict of interest.

4. Idaho State Historical Society – Agency Operations

M/S (Lewis/Hall): To approve a Supplemental Request for FY 2007 for the Idaho State Historical Society in the amount of \$75,500, General Funds (\$23,500 ongoing and \$52,000 one-time) for a new financial manager position and payment of financial contractor billings, and an FY 2008 request in the amount of \$53,000 (ongoing). No new FTE position is requested. A roll call vote was taken; motion carried 6-1 (Terrell voted Nay).

Board staff Jeff Shinn presented this item. He noted that as a result of two different audits, a determination was made that higher level staffing is needed to oversee that financial operation at the State Historical Society. An available FTE will be used. Keith Peterson, the Interim Director of the Historical Society strongly urged the Board to approve the request.

5. Office of the Idaho State Board of Education – Deaf Transition Committee Staffing

M/S (McGee/Lewis): To approve a Line Item request for FY 2008 for the Office of the State Board of Education in the amount of \$60,000, General Funds (\$58,000 ongoing, \$2,000 one-time) for a staff position to support the Deaf Transition Committee. One new FTE position is requested. A roll call vote was taken; motion carried unanimously.

INSTRUCTION, RESEARCH AND STUDENT AFFAIRS

1. Opportunity Scholarship Legislation

M/S (Thilo/Agidius): To approve the legislation for the Opportunity Scholarship Program and to authorize staff to forward the legislation to the Division of Financial Management. *A roll call vote was taken; motion carried unanimously.*

Board member Thilo discussed this item and provided background details for the Board. Board staff, Stuart Tennant was introduced to provide more details.

2. High Need Educator Loan Forgiveness

M/S (Thilo/Agidius): To approve the legislation for High Need Educator Loan Forgiveness and to authorize staff to forward the legislation to the Division of Financial Management. *A roll call vote was taken; motion carried unanimously.*

3. North Idaho Corridor

M/S (Thilo/Agidius): To support the concept of developing an education corridor in Coeur d'Alene to increase and improve access to higher education in North Idaho. *A call vote was taken; motion failed 2-5 (Board members Agidius and Thilo voted Aye).*

Board member Thilo briefly discussed the need for the coalition of partners that would allow growth to occur and also provide expanded economic opportunities in the area that demands a highly educated workforce. She noted that the motion is to approve the concept.

Board Vice President Terrell noted a reluctance to support the motion since it appeared to conflict with what the University of Idaho already has underway in the area. Board member Hall indicated his support for higher education opportunities in the area, but expressed concerns that the motion may be misinterpreted as an endorsement by the Board. Board member Lewis agreed with Mr. Hall.

DEPARTMENT OF EDUCATION

A. Appointment of Trustees for Newly Formed School Districts in Idaho and Adams Counties

M/S (McGee/Thilo): To approve the State Department of Education recommendation for trustee appointments as presented in the agenda materials. *A roll call vote was taken; motion carried unanimously.*

EXECUTIVE SESSION

M/S (McGee/Agidius): To move into executive session on January 8, 2007 at 11:02 a.m. pursuant to Idaho Code Section 67-2345(1) to discuss any item under the statute. A roll call vote was taken; motion carried unanimously.

M/S (McGee/Agidius): To move out of executive session at 11:45 a.m. A roll call vote was taken; motion carried unanimously.

In executive session, the Board: (a) considered hiring a public officer, employee, staff member or individual agent; (b) considered the evaluation, dismissal or disciplining of, or complaints or charges brought against a public officer, employee, staff member of individual agent, or public school student; (c) conducted deliberations concerning labor negotiation or to acquire an interest in real property which is not owned by a public agency; considered records that are exempt from public inspection; (d) considered records that are exempt by law from public inspection; and (f) considered and advised its legal representatives in pending litigation or where there is a general public awareness of probable litigation.

At this time the Board returned to Open Session and item 2 of the Finance Section of the Business Affairs and Human Resources agenda

2. Boise State University – Bonding for Press Box/Sky Suites, Student Health Center, Student Union Expansion (continued)

M/S (McGee/Agidius): To approve a Supplemental Resolution for the Series 2007A Bonds, the title of which is as follows: A SUPPLEMENTAL RESOLUTION authorizing the issuance and sale of \$96,365,000 General Revenue and Refunding, Series 2007A, of the Board of Trustees of Boise State University; authorizing the execution and delivery of a Bond Purchase Agreement and providing for other matters relating to the authorization, issuance, sale and payment of the Series 2007A Bonds. A roll call vote was taken; motion carried unanimously.

The Board reconvened at 11:47 and took action on this item.

OTHER BUSINESS

Board member McGee announced that she had been appointed to a position in the Office of Governor Otter and would be stepping down from the Board of Education. Board members congratulated her and commended her for the tremendously hard work she has done to advance education in Idaho.

M/S (Lewis/Hall): To adjourn the meeting at 12:00 noon. A roll call vote was taken; motion carried unanimously.